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## Sweden

## Retail Food Sector

## Report

## 2005

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**Report Highlights:**

The recent consolidation and restructuring of the Nordic retail food sector offers interesting opportunities for U.S. suppliers in terms of volume and variety of products in demand. Best prospects include seafood, convenience food, and products appealing to the health conscious. Additionally, the market is expanding for international and ethnic cuisines. A major impediment to increased U.S. sales is consumer resistance to products containing genetically modified (GMO) ingredients. Nevertheless, a weak dollar in 2003 and 2004 has fueled new interest in U.S. food products.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Stockholm [SW1]  
[SW]

## SECTION I. MARKET SUMMARY

### SWEDEN AND FINLAND

Economic growth in both Sweden and Finland has strengthened domestic demand for high-value consumer-ready products. Low inflation and reduced interest rates have kept consumer confidence high. Private consumption is expected to grow by about 2-3% per year in Sweden and Finland during the next few years. Retail food sales have remained high and further growth is expected. The relatively low dollar exchange rate in 2003 and 2004 has fueled new interest in U.S. food products.

The food retail sector in these markets is predominantly integrated and concentrated. In both Sweden and Finland, the three largest import/wholesale groups supply about 80% of the market. Restructuring of the Nordic retail food sector continues as pan-Nordic mergers and cooperative agreements seek to achieve greater efficiencies and economies of scale to fend off other European competitors. Swedish and Finnish retail chains are meeting the stiff competition through increased efficiency -- centralizing purchases, forming international alliances and expanding operations within the Nordic/Baltic region. In these concentrated markets where retailers have such large market share, growth at home becomes virtually impossible. Looking abroad, in the form of mergers and cooperation at the international level, has become the only possible path to growth.

The fastest growing "concept" in the food retail trade in Sweden and Finland is discount stores. While discount stores currently only account for about 10-13 percent of the retail trade in Sweden and Finland, volumes have tripled over the last ten years. Growth figures are showing no signs of leveling off, and this, of course, has stirred interest among foreign players to enter the domestically dominated Nordic food retail market. The German hard discounter Lidl has already established a presence in all of the Nordic countries. Other players are likely to follow. The entry of Lidl has undoubtedly changed the dynamics of food retailing and is putting pressure on the previously unthreatened Swedish and Finnish grocery conglomerates. Swedish and Finnish retailers are responding by refocusing their stores to a more price-oriented basis and introducing new private label items to match Lidl's low prices. Also, many retailers have opened up their own discount stores.

The trend throughout Europe of fewer but larger players continues. In 2003, 75% of Swedish retail food sales of approximately USD 19 billion went through large supermarkets and hypermarkets. In Finland, the 396 largest stores accounted for half of total 2003 retail food sales of USD 12 billion. There were 6,060 food retail outlets in Sweden in 2003 compared to 13,000 in 1970. In Finland, there were 4,163 outlets in 2003, slightly fewer than during the previous year.

Swedish and Finnish consumers are gravitating towards fresher, more convenient and more nutritious foods. High demands are made on food quality, origin and environmental concerns. The ongoing socio-demographic changes with busier life styles and increasing single-person households are affecting food retailing to a high degree. Retailers are shifting their product ranges towards an increasing share of healthier, ready-to-eat foods and home meal replacements. Eating out is growing faster than traditional retail sales. Both in Sweden and Finland, about 20 percent of meals are currently eaten out of the home. Fast food is the segment benefiting most from this trend. American-style fast food chains, sushi bars and coffee shops are extremely popular in these markets.

Organic and functional foods are gaining in popularity with significant consumer awareness in the area of food safety and healthy eating habits. This includes not only products with low fat benefits, but also those with nutritional advantages, such as added fiber, vitamins and

minerals, or ingredients with perceived disease-preventative qualities. Consumers are willing and able to pay higher prices for food and drink products that fall into these categories. Also, through increased travel and a willingness to move away from their culinary traditions, Swedish and Finnish consumers are more open to ethnic foods.

Internet retail food sales have been limited despite the region's high per capita ownership of computers and consumers' expressed interest in online food purchasing. The positive outlook of major retailers towards this sales vehicle has changed as the list of retailers terminating their websites is long. Currently, there are only a few profitable internet operators in food distribution in Sweden and Finland.

Average exchange rate 2003 in Sweden: US\$ 1 = SEK 8.09

Average exchange rate 2003 in Finland: US\$ 1 = EUR 0.88

### **Advantages and Challenges Facing U.S. Products in Sweden and Finland**

<b>Advantages</b>	<b>Challenges</b>
Sophisticated markets. High acceptance of new products and concepts. U.S. products are considered high quality and trendy.	U.S. products at a price disadvantage compared to competitors based in the European Union.
Growing consumer demand for value-added products, convenience foods, international/ethnic cuisine, "functional" and organic foods.	High distribution and shipping costs.
Location gives access to a Nordic/Baltic market comprising 25 million consumers.	Strong hesitation with respect to genetically modified products.
High standard of living, well-educated workforce, growing incomes. English is widely spoken.	No access for hormone-treated beef from the U.S.
Favorable dollar exchange rate.	

## **SECTION II. ROAD MAP FOR MARKET ENTRY**

As stated above, these markets are dominated by only a few import/wholesale/retail groups, and therefore, U.S. exporters have a relatively easy job of locating potential buyers. However, for the same reason, it may be difficult to get in the door. Depending on the product and the volume, there are different ways for American exporters to penetrate these markets:

- retailers/wholesale groups (large quantities)
- specialized importers/distributors (niche and select brand name and private label products)
- agents (products with strong brand names)

**Market entry strategies for U.S. food products should include:**

- 1) Market research in order to assess product opportunities and existing competition.
- 2) Advance calculation of the landed cost of a product in order to make price comparisons vis-a-vis competitors.
- 3) Locating an experienced distributor or independent reliable agent with strategic distribution channels to advise on import duties, sanitary regulations, and labeling requirements. It is advisable to initiate personal contact in order to discuss marketing matters such as funding for advertising, slotting allowance, in-store promotions and tasting events. Suppliers may also want to consider trade fair participation to raise awareness of their products.
- 4) Exploration of the purchasing arrangements of the larger retail chains.
- 5) Consider using USDA's Supplier Credit Guarantee Program to make credit terms more attractive to importers.

**Market Structure**

The Swedish and Finnish retail food industry has long been characterized by stability and a low degree of internationalization. However, this picture began to change in 1999 when the Dutch retail food giant Ahold took over a 50% interest in Sweden's leading retailer ICA. Subsequently, there has been a wave of consolidations among retailers in the region resulting in a Nordic, rather than domestic, focus to marketing.

Looming international competition has increased the role of volume dynamics in the Nordic food retail sector. All major players are seeking to minimize costs by coordinating central purchasing and taking advantage of economies of scale. Also, Nordic retailers are aggressively promoting the development of private label product lines.

The general trend remains unchanged in Sweden and Finland, with hypermarkets and large supermarkets increasing sales volumes, while small and medium-sized stores lag behind. The number of retail outlets continues to decline, although at a somewhat slower pace. Discount stores continue to gain market share in both Sweden and Finland. Although their share is still modest at around 10-13%, the sector has grown about 200% over the last ten years. Discount stores have not been developed as extensively in Finland as in Sweden. However, this scenario has been changing with the market entry of German hard discounter, Lidl, into Finland in 2002. The expansion has been rapid: two years after launch, Lidl has about 55 outlets and has grabbed a 2.7% market share in Finland. Lidl has had a considerable effect on the Finnish food retail market. According to a recent study by the Ministry of Trade and Industry, the arrival of Lidl has boosted competition and pushed down prices in the trade. The low price products have appealed to the Finnish consumers and Finnish retailers have not been prepared for the price competition that Lidl kicked off. As a result, retailers are opening up their own discount units and increasing the number of products sold under their own label -- which provides better margins. Finland's major retailer, Kesko, is testing a low price supermarket concept, having opened ten stores across the country in 2004. Kesko has also expanded its discount chain in the Baltics.

While Swedish consumers tend to be brand conscious, they also look for branded, and other, products at discount. In September 2003, Lidl established a presence in Sweden by simultaneously opening up 11 stores. Sweden's major retailer, ICA, and leading Danish retailer, Dansk Supermarked, combined forces in a 50/50 joint venture to operate Netto discount stores in Sweden and Norway. So far, 46 Netto stores have opened in Sweden. Axfood, the main player in the discount sector in Sweden, has integrated several chains into the "Willys" group, a Swedish version of Lidl's outlets.

## A. Super stores, supermarkets, hyper markets, discount stores

### Sweden - Company Profiles

The Swedish wholesale and retail food market is dominated by three nationwide groups - ICA (37.3%), Coop (18.3%) and Axfood (18.2%) – while a fourth, Bergendahlsgruppen (2.6%), is mainly active in Southern Sweden. Together they account for almost 80 percent of the commodity retail market. Each group has developed a tight integration of purchasing, importing, wholesaling, distribution and retailing. Imports of foods are either handled by the chains themselves or through specialized importers and agents. In the process of restructuring, these groups have moved to centralized purchasing and are also engaged in joint Nordic buying groups.

Nordic expansion has been high on the agenda for the three major Swedish food retailers. The formation of Coop Norden in 2002 was the Swedish cooperative movement's first step toward working on a pan-Nordic basis. ICA, in turn, extended its Nordic cooperation by entering into a joint venture with Dansk Supermarked. Axfood strengthened its ownership in Spar Finland in 2002.

The **ICA Group** is one of the Nordic region's leading grocery retail groups with stores in Scandinavia and the Baltic countries. The ICA Group is 30% owned by ICA Forbundet Invest AB, 20% by Canica AS of Norway and 50% by Royal Ahold of the Netherlands. In 2001, a joint venture between ICA and the leading Danish retailer Dansk Supermarked was formed. The 50-50 venture operates discount stores and hyper-markets in Sweden and Norway. In 2004, ICA Baltic AB, a subsidiary of the ICA Group, entered into a buying agreement with Finland's largest retailer Kesko to form a 50/50 joint venture in respect of the Baltic convenience goods market. The companies will combine operations in Estonia, Latvia and Lithuania and expect the joint venture to be up and running in January 2005. ICA stores accounted for 37.3% of Sweden's retail food sales in 2003.

**COOP Norden** is the result of a merger of three Scandinavian cooperatives; Coop Sweden, Danish FDB and Coop Norway in 2002. The increase in competition from large international chains and the pace of changes in the industry prompted this merger of cooperatives. Through the merger, the three cooperatives can better face these challenges by benefiting from larger buying volumes, efficiencies in distribution, a common business development strategy and lower costs for information technology. Coop Norden owns the biggest share of NAF International, a buying company located in Denmark, which represents retail cooperatives in the Nordic countries and other European countries. In Sweden, Coop operates about 879 outlets and accounted for 18.3% of Sweden's retail food sales in 2003.

**Axfood AB** was formed in November 1999 through the merger of Hemkop and D&D Dagligvaror and the subsequent acquisitions of Spar Sverige, SparInn Snabbgross and a 60% of the share capital in Spar Finland. The organization became one of the largest food retail operations in the Nordic countries. Axfood has 890 stores in Sweden (Hemkop, Willys, Willys Hemma, Spar, Tempo, Vivo) and 293 stores in Finland (Spar, EuroSpar). In 2003, Axfood had a market share of 18.2 percent and 8 percent in these countries, respectively.

**BergendahlsGruppen AB** is a regional group with a strong base in the Southern part of Sweden where the market share is about 20%. Bergendahls has a total of 139 outlets (food retail, discount, supermarkets) and a market share of 2.6%. In 2002, BergendahlsGruppen entered the Stockholm market with two outlets, Eko Lanna and City Gross. The City Gross outlets have, in general, a sales area of 7,000-12,000 square meters. Bergendahls operates totally five City Gross outlets of which one of them is Sweden's largest food store.

**SWEDEN – MAJOR FOOD RETAIL PROFILE**

<b>Retailer/Type of Outlet</b>	<b>Owner ship</b>	<b>Sales CY03 (\$ Mill)</b>	<b>No. of Outlets</b>	<b>Location</b>	<b>Mkt Share</b>	<b>Purch/ Agent Type</b>
ICA AB -food retail -supermarkets -hyper-markets -gas marts/convenience -discount (joint)	Swedish/ Norwegian/ Dutch	9,260	1,791	Sweden Norway Denmark Estonia Latvia Lithuania	37.3	Direct/ importer/ wholesaler
Coop -food retail -gas marts/convenience -supermarkets -hyper-markets -department stores	Swedish Norwegian Danish	4,538	879	Sweden Norway Denmark	18.3	Direct/ importer/ wholesaler
Axfood -food retail -convenience -discount stores -supermarkets -gas marts/convenience	Swedish/ Finnish	4,519	890	Sweden Finland Norway Denmark	18.2	Direct/ importer/ wholesaler
BergendahlsGruppen -food retail -discount stores -supermarkets	Swedish	656	129	Southern Sweden Stockholm	2.6	Direct/ importer/ wholesaler
Netto -discount stores	Danish/ Swedish	87 (est.)	28	Denmark Sweden	0.3	Direct/ importer/ wholesaler
Lidl -hard discount stores	German	33 (est.)	28	Sweden Finland Norway	0.1	Direct/ importer/ wholesaler

## **Finland - Company Profiles**

A few central wholesalers (K-Group, S-Group, Tradeka/Elanto, Spar Group) together dominate the food industry with an aggregate market share of nearly 80%. These chains have closely knit wholesale and retail arrangements comprising a compact and efficient goods delivery system and a nationwide network of retail shops as well as department stores and supermarkets. They also have hotel and restaurant chains and catering services. The centralized system makes distribution economical; purchases from abroad can be made in viable quantities considering the relatively small size of the market. Almost one-third of the total wholesale trade in Finland is transacted through these wholesale organizations.

The year 2003 was characterized by increasingly intensifying competition in the Finnish food retail market as the Finnish retail chains responded to the entry of international competitors. At the same time, private label products increased their share in all retail chains. Retail prices have fallen as inflation remains low.

Retailers have reacted to the price competitive market and to the German hard discounter Lidl's rapid expansion in Finland by lowering prices of their private label brands and by offering services such as bakeries, cafeterias, fresh meat and fish service points that aren't offered by discounters such as Lidl.

**KESKO** is the leading trading company in Finland. It consists of the parent company Kesko Ltd. and its four subsidiaries of which Kesko Food Ltd. is the largest. The key businesses of Kesko Food Ltd. are the chain operations of the K-Food stores in Finland, Kespro's catering sales to HRI customers and wholesaling and retailing in the Baltic countries. The K-food stores are privately owned and buy most of their products from the Kesko wholesale organization. Centralized purchasing provides a competitive advantage by creating volume and synergy benefits. Also, Kesko works in cooperation with major European food chains in AMS (Associated Marketing Service). Total sales of the Kesko-affiliated retailers accounted for 35.8% of retail food sales in Finland in 2003 via about 1,110 outlets. Kesko continues to expand its operations in the Nordic and Baltic countries. In the Baltic food trade, Kesko recently combined the present operations with the Swedish ICA AB and the joint venture will start operations in 2005.

### **S-GROUP**

The S-Group and Tradeka/Elanto Group represent the cooperative movement in Finland. The S-Group consists of member-owned regional cooperative societies and their subsidiaries and the Finnish Cooperative Wholesale Society (SOK). The S-Group operates Citysokos department stores, S-Market supermarkets, Prisma hypermarkets, Sale and Alepa grocery stores, ABC service stations, hotels and restaurants, hardware and agricultural stores as well as several specialty stores. The S-Group's grocery store chains, Prisma, S-market and Sale/Alepa have, during recent years, been extremely successful. This success can be measured by a market share increase from 15.9% in 1990 to 31.1% in 2003. Through its subsidiaries and associated companies, the S-Group also conducts food trade in the Baltic countries.

**TRADEKA** is a national retail company that co-operated with the Elanto Group in the greater Helsinki area until the end of 2003. As a result of Elanto Group's withdrawal from its co-operation with Tradeka, Elanto handed over its 44 Siwa outlets and three Valintatalo stores to Tradeka. As of the beginning of 2004, Tradeka's store brands consist of Siwa, Valintatalo and Euromarket with a total of 560 shops. Tradeka had a market share of 9.7% in 2003.



**SPAR Finland** is a subsidiary of the Swedish food retail company Axfood AB. The Spar Group is a nationwide chain of food retail stores comprising 282 Spar and 11 Eurospar stores, of which 84 are owned by Spar Finland. Due to the fierce competition in the Finnish food retail market in 2003, Spar Finland's market share dropped to 7.4% compared to 8.1% in 2002. Like most other Finnish food retailers, Spar Finland has considered establishing a hard-discounter concept, after converting the soft-discounter Rabatti stores into Spar stores. Also, Spar Finland is increasing their cooperation with Axfood in areas of joint purchasing and private label products.

**LIDL**, the German hard discounter, entered the Finnish market by simultaneously opening up ten outlets around the country in August 2002. At the beginning of 2004, Lidl had 55 outlets throughout Finland and an estimated market share of 2.7%. Lidl's entry into the Finnish market has undoubtedly increased competition in the Finnish food retail sector. The low-priced products appeal to the Finnish consumer; Finnish retailers were not prepared for the price competition set off by Lidl. According to a market survey, Lidl's products are priced at about 10-15% below the average Finnish food prices and about 80% are private label products.

**FINLAND – MAJOR FOOD RETAIL PROFILE**

<b>Retailer/Type of Outlet</b>	<b>Owner ship</b>	<b>Sales CY03 (\$ Mill.)</b>	<b>No. of Outlets</b>	<b>Location</b>	<b>Mkt Share</b>	<b>Purchasing/ Agent Type</b>
Kesko (K-Group) - hyper-markets - dept stores - supermarkets - self-service - small shops - discount stores	Finnish	4,638	<b>1,094</b>	Finland Sweden (hardware) Estonia Latvia Lithuania	35.8	Direct/ importer/ wholesaler (Ruokakesko)
S-Group - hyper-markets - dept stores - supermarkets - self-service - small shops - discount stores	Finnish	4,034	<b>668</b>	Finland Estonia Latvia Lithuania	31.1	Importer/ wholesaler (Inex)
Tradeka - hyper-markets - dept stores - supermarkets - self-service - small shops	Finnish	1,623	<b>602</b>	Finland Estonia Latvia Lithuania	12.7	Importer/ wholesaler (Inex)
Spar Group - dept stores - supermarkets - self-service - small shops	Swedish Finnish	957	<b>293</b>	Finland Sweden	7.4	Importer/ wholesaler (Tuko Logistics)
Wihuri - supermarkets - hypermarkets - small shops	Finnish	622	<b>558</b>	Finland	4.8	Importer/ wholesaler (Tuko Logistics)
Stockmann - dept stores	Finnish	191	<b>6</b>	Finland Baltics Russia	1.5	Importer/ Wholesaler (Tuko Logistics)
Lidl - hard discount	German	233	<b>50</b>	Finland Sweden Norway	1.8	Importer/ wholesaler

**INEX PARTNERS OY** is a joint venture owned on a fifty-fifty basis by the S-Group and Tradeka/Elanto. Inex Partners OY specializes in the sourcing of groceries and the provision of logistic services for the retail chains operated by the S-Group, Tradeka and Elanto.

**TUKU LOGISTICS** is a purchasing and logistics company owned by Wihuri, Spar Finland, Stockmann and Heinon Tukku.

## **B. Convenience Stores, Gas Marts, Kiosks**

### **Entry Strategy**

The convenience sector offers more limited opportunities for the U.S. exporter, but certain products could sell well via such outlets. Most of the convenience stores belong to established retail chains, and the same large wholesalers/retailers are suppliers to the convenience sector. Gas marts are either affiliated with gasoline companies or with the large retail food distribution groups. New-to-market exporters should target this sector in the same way as described under the entry strategy section for supermarkets.

### **Market Structure**

**Convenience stores** have been in a continued decline in Sweden and Finland for the last couple of years, mostly due to tough competition from gas marts and the fact that supermarkets have progressively increased their opening hours to equal those of the convenience stores. However, several of the large retail chains are starting a network of convenience stores with a large range of ready-made-meals as a complement to their larger outlets, and thus, can push prices down. These stores are especially popular in larger cities, where time-pressured lifestyles predominate. Another positive trend for convenience stores is the increasing number of one-person households who do most of their grocery shopping in smaller stores and consume more ready-meals and other convenience foods. In Finland, opening hours for stores of under 400 sqm were extended in 2001. This has prompted somewhat of a renaissance for small convenience stores. In 2003, grocery sales in convenience stores reached \$754 million in Sweden and \$201 million in Finland.

**Gas marts** continue to gain market share in Sweden and Finland, but at a somewhat lower pace. Sales through this channel, which saw rapid growth throughout the 1990s, have begun to slow down. The emergence of discount outlets with long opening hours, low prices and locations close to main roads has increased competition. Fast food is the fastest growing section in gas marts. The major food retailers have recognized this trend and have focused on expanding the range of products available. In 2003, total sales of grocery products in gas marts in Sweden amounted to USD 1.5 billion, or about 6% of total retail food sales. In Finland, sales reached USD 102 million in 2003.

**Kiosks** offer limited items such as snacks, sweets, cigarettes and magazines. The Rautakirja R-Kioski is Finland's leading kiosk chain and convenience outlet concept, where kiosks still have 3.5% of total grocery sales. In recent years, R-Kioski has moved to selling more convenience products and enlarging the kiosks to fit changing customer needs. The chain comprises a total of 713 R-Kiosks in Finland and 200 in Estonia. Rautakirja's involvement in Latvia derives from its 50% holding in Narvesen Baltija SIA. Narvesen Baltija is jointly owned by the Norwegian Reitan Narvesen and operates around 500 kiosks in Latvia.

**SWEDEN - MAJOR GAS MARTS AND CONVENIENCE STORES**

<b>Retailer Name/ Outlet Type</b>	<b>Ownership</b>	<b>2003 Grocery Sales (US\$ million)</b>	<b>No. of Outlets</b>	<b>Location</b>	<b>Purchasing Agent Type</b>
Statoil/ICA Express, gas mart	Statoil/ICA (Norwegian/Swedish)	569	517	Sweden Norway Denmark	Wholesaler/importer (ICA)
OK/Q8, gas mart	Swedish/Kuwait Petroleum	383	573	Nationwide	Wholesaler/importer (Axfood)
Select, gas mart	Swedish Shell (Dutch/Swedish)	287	383	Nationwide	Wholesaler/importer (Axfood)
Preem, gas mart	Saudi/Swed	171	135	Nationwide	Wholesaler/importer (Axfood)
Pressbyran, convenience	Reitan /Narvesen (Norwegian)	266	329	Sweden Norway Latvia	Wholesaler/importer (ICA)
Handlarn, convenience	Axfood (Swedish)	173	225	Nationwide	Wholesaler/importer (Axfood)
7-Eleven, convenience	Reitan /Narvesen (Norwegian)	73	74	Sweden Norway Denmark	Wholesaler/importer (ICA)
NaraDej, convenience	ICA (Swedish)	55	27	Nationwide	Wholesaler/importer (ICA)

Source: Supermarket 2004

In Finland, the four largest gas marts are Select (Shell), Snack & Shop (Esso), Quick Shop (Neste) and Teboil. They accounted for over 80% of total gas mart sales of grocery products in 2003.

**Leading Gas Marts' Share of Food/Goods Sales in Finland in 2003:**

<b>Gas Marts Finland</b>	<b>Market Share %</b>
Neste	13.7
Shell	33.4
Teboil	8.5
Esso	30.8
Others	13.6
Total	100.0

Source: Euromonitor

**C. Traditional Markets - Small Independent Grocery Stores**

The small "gourmet food" grocery stores offer limited possibilities for U.S. exporters. These stores are usually located in larger cities and sometimes carry a wide range of imported products, but they tend to buy in very small quantities.

**SECTION III. COMPETITION**

European Union (EU) member states provide the main competition to U.S. consumer-oriented food imports. EU-origin products have a natural advantage in many product categories simply because they enter Sweden and Finland duty free, while American exporters have to face the EU's external duty/tariff structure as well as non-tariff barriers to trade (e.g. beef hormone ban, sanitary restrictions on poultry and GMO policies).

**A. Sweden's Imports of Consumer-Oriented Agricultural Products in 2003**

<b>Country Sweden</b>	<b>Import 2001 (\$1,000)</b>	<b>Import 2002 (\$1,000)</b>	<b>Import 2003 (\$1,000)</b>	<b>Market Share %</b>
Denmark	597,536	738,040	901,888	20
Netherlands	633,425	629,321	767,653	17
Germany	331,001	413,701	492,231	11
Italy	190,881	226,162	281,446	6
Spain	179,905	227,202	278,904	6
France	192,152	211,078	251,851	6
Finland	112,677	143,900	172,508	5
Ireland	103,777	125,099	164,559	4
Belgium	114,798	147,272	162,872	4
United Kingdom	123,798	141,599	147,137	3
Norway	61,020	81,446	81,522	2
<b>United States</b>	<b>81,781</b>	<b>73,247</b>	<b>73,326</b>	<b>2</b>
Poland	27,417	35,774	59,779	1
Panama	27,390	57,391	51,540	1
Austria	29,593	40,064	45,335	1
Other	346,441	388,142	475,151	11
World	3,062,007	3,679,515	4,406,854	100

Note: Imports from the U.S. are understated due to transit trade via other EU countries such as the Netherlands and Germany.

**B. Finland's Imports of Consumer-Oriented Agricultural Products in 2003**

<b>Country Finland</b>	<b>Import 2001 (\$1,000)</b>	<b>Import 2002 (\$1,000)</b>	<b>Import 2003 (\$1,000)</b>	<b>Market Share %</b>
Sweden	192,357	214,960	247,168	14
Germany	117,501	37,735	233,694	13
Netherlands	147,750	154,521	191,058	11
Spain	114,563	126,506	154,215	9
France	125,752	135,713	150,922	9
Denmark	114,060	111,474	129,267	7
Belgium	59,822	61,460	74,948	4
Italy	57,809	61,452	74,413	4
Costa Rica	27,891	43,518	57,059	3
United Kingdom	43,260	48,432	51,216	3
Ireland	29,612	38,436	49,221	3
<b>United States</b>	<b>26,818</b>	<b>23,778</b>	<b>31,744</b>	<b>2</b>
Brazil	24,829	25,678	30,567	2
South Africa	13,037	18,027	27,352	2
Chile	11,838	15,378	20,840	1
Other	197,472	205,491	247,747	14
World	1,309,258	1,424,325	1,771,493	100

Note: Imports from the U.S. are understated due to transit trade via other EU countries such as the Netherlands and Germany.

**SECTION IV. BEST PRODUCT PROSPECTS****A. Products Present in the Markets Which Have Good Sales Potential**

Fish and Seafood  
Tree Nuts  
Dried Fruit  
Wine  
Beer  
Fruit Juice  
Processed Fruits & Vegetables  
Sauces/Seasonings  
Pancake/Cake Mixes  
Rice (most U.S. rice currently packaged in other European countries)  
Confectionery

**B. Products Not Present in Significant Quantities but Which Have Good Sales Potential**

Fresh Fruits and Vegetables  
Organic Food  
Ethnic Food  
Snack Food  
Niche Market/Specialty Food Products  
Frozen Food  
Rice Mixes  
Vegetarian Food  
Ready-Made/Convenience Meals  
Pet Food  
Non-Hormone Treated Beef

**C. Products Not Present Because they Face Significant Barriers**

Hormone Treated Beef (EU hormone ban)  
Poultry (sanitary restrictions)

**SECTION V. POST CONTACT AND FURTHER INFORMATION**

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For further information on exporting U.S. agricultural products to Sweden, please visit the FAS/Stockholm home page at: <http://www.usemb.se/Agriculture>.